Chapter 1
Physical Inspection Program Overview

Instructor Guide

Chapter 1: Physical Inspection Program Overview

Table of Contents

ACRONYM LIST

ACRONYM	DEFINITION
BIC	Baseline Inspection Contact
CIDR	Central Integrated Data Repository
DCD	Data Collection Device
EC	Enforcement Center
FASS	Financial Assessment Subsystem
FHA	Federal Housing Administration
GTM	Government Technical Monitor
GTR	Government Technical Representative
H&S	Health & Safety
IBS	Integrated Business System (PHA)
LTHS	Life Threatening Health and Safety
MA	'Major' Deficiency
MI	'Minor' Deficiency
NA	Not Applicable
NIC	National Inspection Contract
NOD	No Observable Deficiency
OD	Observed Deficiency
PASS	Physical Assessment Subsystem
PASS DSD	REAC's Physical Inspection Software
PHA	Public Housing Authority
PI-Ops	Physical Inspection Operations Group
QA	Quality Assurance
QC	Quality Control
REACS	Real Estate Assessment Center System
REMS	Real Estate Management System-Housing
SE	'Severe' Deficiency

TARC   Troubled Agency Recovery Center

Introduction to REAC's Physical Inspection Program
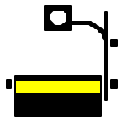
Slide

SHOW slide 1-3. (Chapter Objectives)

PG page 1-4

Objectives

- Describe the purpose of the Physical Inspection Program and its contribution to achieving REAC's mission

- Explain the role and responsibilities of the inspector

- Define the REAC Physical Inspection Protocol

- Explain the importance of the Physical Inspection Protocol

- Describe the role of Quality Assurance inspectors and how they support the Physical Inspection Program

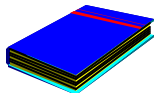- Describe the role of the Contractor Help Desk and how it supports the Physical Inspection Program

U.S. Department of Housing and Urban Development   **1-3**

Introduction

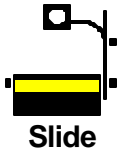**REVIEW** points on slide

Reference

REFER participants to the following documents:

Participant Guide

- Chapter 1   Physical Inspection Program Overview

      Review Table of Contents

      Acronym List

SHOW slide 1-4. (Overview)

Slide

PG page 1-5

Overview

The purpose of this overview is to:

- Provide an understanding of the Real Estate Assessment Center (REAC)

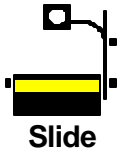- Describe the Physical Inspection Program developed by REAC

U.S. Department of Housing and Urban Development   **1-4**

Introduction

The purpose of the Overview is to:

- Provide an understanding of the Real Estate Assessment Center (REAC), an independent organization within the U.S. Department of Housing and Urban Development (HUD).

- Provide a description of the Physical Inspection Program developed by REAC to evaluate the physical condition of HUD's property portfolio.

SHOW slide 1-5. (Objectives)

Slide

Objectives

PG page 1-5

Upon completion of the objectives, participants will be able to:

- Explain the mission and goals of REAC

- Describe the purpose of the Physical Inspection Program

- Define the inspector's role within the Physical Inspection Program

- Describe the Physical Inspection Structure and its role in the Physical Inspection Program

- State the importance of scoring in the inspection process and use of scoring in the Physical Inspection Program

U.S. Department of Housing and Urban Development   **1-5**
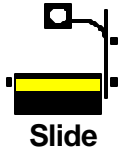
REVIEW objectives on slide

Learning Objectives

The Real Estate Assessment Center Overview (45 minutes)

Physical Inspection Program Overview (45 minutes)

Total: (1 hour, 30 minutes)

Agenda

The Real Estate Assessment Center Overview

SHOW slide 1-6. (HUD 2020)

Slide

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1-6*

HUD 2020

- Established in June 1997

- Includes significant changes to HUD's structure, processes, and systems

- Purpose
  - To ensure HUD provides decent, safe, and sanitary housing in good repair
  - To restore public trust in HUD

U.S. Department of Housing and Urban Development   **1-6**
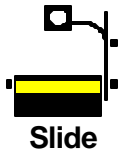
Speaker Notes

REVIEW points on the slide

EXPLAIN:

- In 1997, HUD 2020 Management Reform Plan announced changes to HUD's structure, processes, and systems

- REAC is one of HUD's major reforms

- REAC is intended to improve HUD's property portfolio by assessing and tracking their overall condition

  — Determining the financial health of properties

  — Protecting HUD from financial loss

  — Ensuring proper use of revenues and federal subsidies

  — Assessing owner compliance with business agreements (e.g., charters, use and regulatory agreements, housing

assistance payment contracts)

SHOW slide 1-7. (REAC)

Slide

PG page 1-7

Real Estate Assessment Center (REAC)

- Real Estate Assessment Center (REAC) located in Washington, D.C.

- Evaluates the condition of properties that HUD has a financial interest or statutory obligation to monitor

- Enables HUD to prioritize and direct its resources to properties in need

- Assesses four factors:
  - Physical condition of properties
  - Financial condition of properties
  - Management capabilities of owners and managers
  - Resident satisfaction level

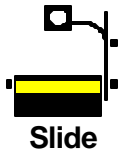U.S. Department of Housing and Urban Development   **1-7**

Speaker Notes

REVIEW points on the slide

EXPLAIN:

- REAC is an independent organization

- REAC assesses properties for which HUD:

  - Issues mortgages

  - Provides grants for developing and operating properties

  - Provides subsidized rental payments

  - Owns the property

  - Forecloses on a mortgage

  - Has a remaining statutory obligation to ensure certain housing standards

- Inspector's role is to help REAC assess the physical condition of the properties

SHOW slide 1-8. (REAC's Mission)

Slide

PG page 1-9

REAC's Mission

REAC's Mission

To improve housing quality and maintain public trust by:

– Providing accurate, credible, and reliable assessments of HUD's portfolio

– Identifying risks and providing opportunities for solutions

– Working with program partners and participants

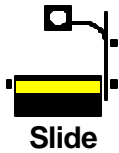U.S. Department of Housing and Urban Development   **1-8**

Speaker Notes

REVIEW points on the slide.

EXPLAIN:

- Using the Physical Inspection Protocol and Physical Inspection definitions consistently ensures accuracy, credibility, and reliability

SHOW slides 1-9 and 1-10. (REAC Benefits)

Slide

PG page 1-10

REAC Benefits

- Establishes uniform standards to detect possible cases of fraud, waste, and mismanagement

- Increases HUD's ability to focus limited resources where most needed

- Strengthens HUD's management controls
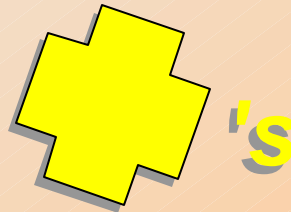
U.S. Department of Housing and Urban Development   1-9

REAC Benefits

- Increases awareness of and ability to improve the quality of life for residents by helping ensure decent, safe, and sanitary housing in good repair

U.S. Department of Housing and Urban Development   1-10

Speaker Notes

REVIEW the benefits listed on these slides
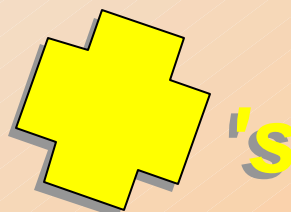
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SHOW slide 1-11. (REAC's Data Systems)
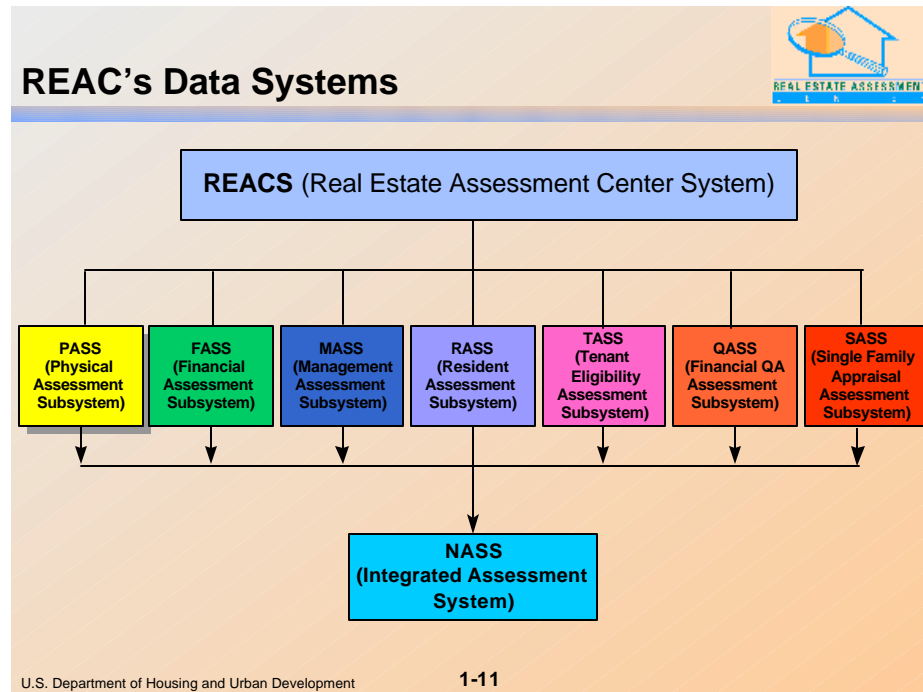
PG page 1-11

EXPLAIN:

- REAC created an integrated system (NASS) consisting of subsystems that enable HUD to evaluate properties

- Physical Assessment Subsystem (PASS) is the subsystem that gathers and analyzes data from physical inspections

- PASS consists of two components:

  – **PASS 2.1 - software used by inspectors to conduct inspections**

  – **PASS On-Line - used by REAC for scheduling and analysis**

- PASS allows automation and simplification of the physical assessment process

- Other subsystems are used to gather and analyze data about

Speaker Notes

HUD property's financial condition, management capabilities, and resident satisfaction. These systems are:

- FASS assesses the financial condition of HUD properties and Public Housing Agencies

- MASS assesses the management capabilities of Public Housing Agencies

- RASS assesses resident satisfaction with Public Housing Agencies

- TASS assesses a potential resident's income criteria for lower-income housing

- QASS validates financial information submitted by PHAs & POAs

- SASS addresses appraisal quality and the oversight process for appraisers

- PASS On-Line will be discussed in more detail in the PASS Software section

Physical Inspection Program Overview

SHOW slide 1-12. (REAC's Physical Inspection Protocol)

Slide

PG page 1-14

REAC's Physical Inspection Protocol

- Standard set of rules and procedures followed on all inspections

- Includes three phases:
    - Pre-Inspection
    - Inspection
    - Post Inspection

- Each phase has essential steps to be completed in the inspection process

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Speaker Notes

REVIEW points on the slide

EXPLAIN:

- **INSPECTORS MUST FOLLOW THE PROTOCOL DEVELOPED BY REAC** to enable HUD to obtain consistent, objective information to effectively assess and monitor the physical condition of properties

- Three phases of the inspection protocol are:
    - Phase 1: Pre-Inspection
        - $\Rightarrow$ Scheduling activities
        - $\Rightarrow$ Downloading of the property profile information
    - Phase 2: Inspection
        - $\Rightarrow$ Working with owners/managers
        - $\Rightarrow$ Sampling

- ⇒ Inspecting certificates
- ⇒ Conducting the inspection
- ⇒ Includes confirming inspection data
- ⇒ Completing the Life-Threatening Health & Safety form
- − Phase 3: Post Inspection
  - ⇒ Submit form to REAC
  - ⇒ Uploading the inspection via the Web to REAC

SHOW slide 1-13. (Inspector's Role)

Slide

PG page 1-16

REVIEW point on the slide

EXPLAIN:

Speaker Notes

- Inspections are a snapshot of the physical condition at that time.

  - For example, a hole in the wall that is being repaired next week is still rated as a deficiency because it exists at the time of the inspection.

- Inspectors conduct physical inspections for the site, selected buildings, building common areas, and selected units

- Inspectors are required to record observed deficiencies in the DCD using the PASS 2.1 software

- Inspectors must follow the Protocol!

SHOW slide 1-14. (Physical Inspection Code of Conduct)

Slide

PG page 1-17

Physical Inspection Code of Conduct

- Arrive on time

- Be courteous and professional

- Display the REAC-issued photo identification badge at all times

- Always be accompanied by the property owner or their representative

- Defer resident questions concerning maintenance to the property owner

- Do not make promises about inspection results

- Do not offer an opinion as to the quality of the site, building, or unit

U.S. Department of Housing and Urban Development   **1-14**

Speaker Notes

REVIEW points on the slide

EXPLAIN:

- In addition to the "Code of Conduct", inspectors should:

  – Identify themselves as a contractor to HUD, not an employee of HUD

  – Refer to persons living in the units as **RESIDENTS** not tenants

  – Refer to the property as a **DEVELOPMENT** not a project

- Inspectors should always be accompanied by property owner/agent so they can witness the deficiencies at the same time the inspector rates them

- Inspectors should follow the REAC's physical inspection code of conduct to gain the cooperation of the property owner or agent

SHOW slide 1-15. (PASS Software)

Slide

PG page 1-18

PASS Software

D ata
C ollection
D evice

The Internet

PASS On-Line
(Physical Assessment Subsystem) On-Line

Scoring Checklist Reporting

Inspector Gathers Data

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Speaker Notes
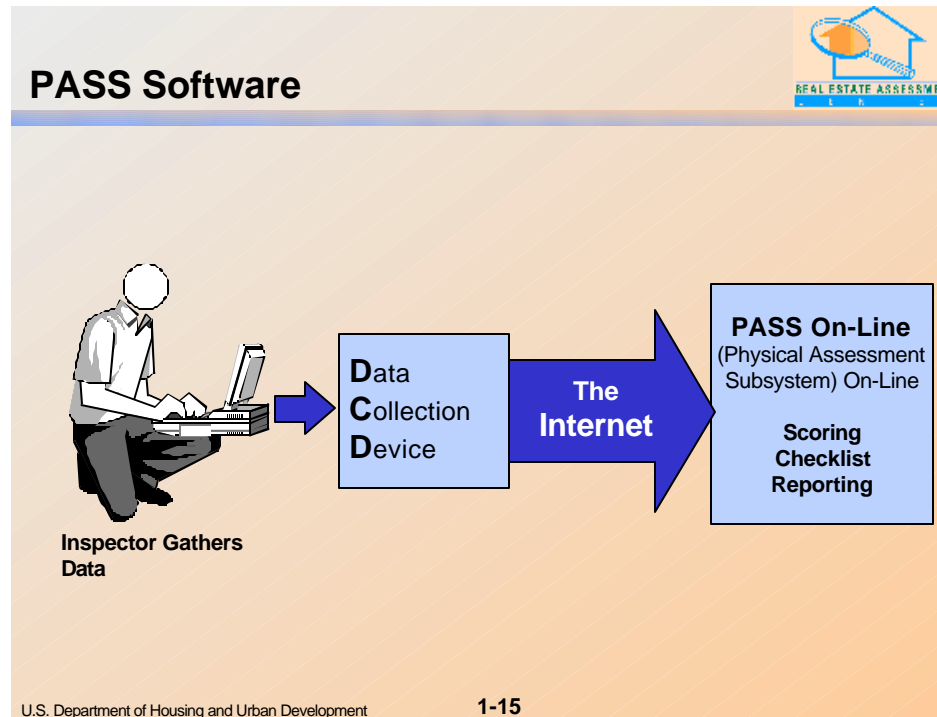
EXPLAIN:

- REAC utilizes three specific technology components:

  1. **Data Collection Device** (DCD) – hand-held computer loaded with the **PASS 2.1 software** are used by the inspector to collect data

  2. **Internet** – how inspection data is uploaded and downloaded from and to REAC

  3. **PASS On-Line** – database where all the raw inspection information is collected, processed, and stored

     ⇒ Scoring - scores inspection data immediately upon receipt

     ⇒ Checklist - compares data from the inspector to the source data (REMS/IBS), and identifies discrepancies between the two

$\Rightarrow$ Reporting - generates both Internal reports (raw data, inspection results, scores) and External reports (property owner reports)

SHOW slide 1-16. (Physical Inspection Structure)

Slide

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page
1-20*

Physical Inspection Structure

Property

Site

Building

Health &
Safety

Building
Exterior

Building
Systems

Common
Areas

Units

Inspectable Area

Inspectable Areas

U.S. Department of Housing and Urban Development

1-16

**Speaker
Notes**
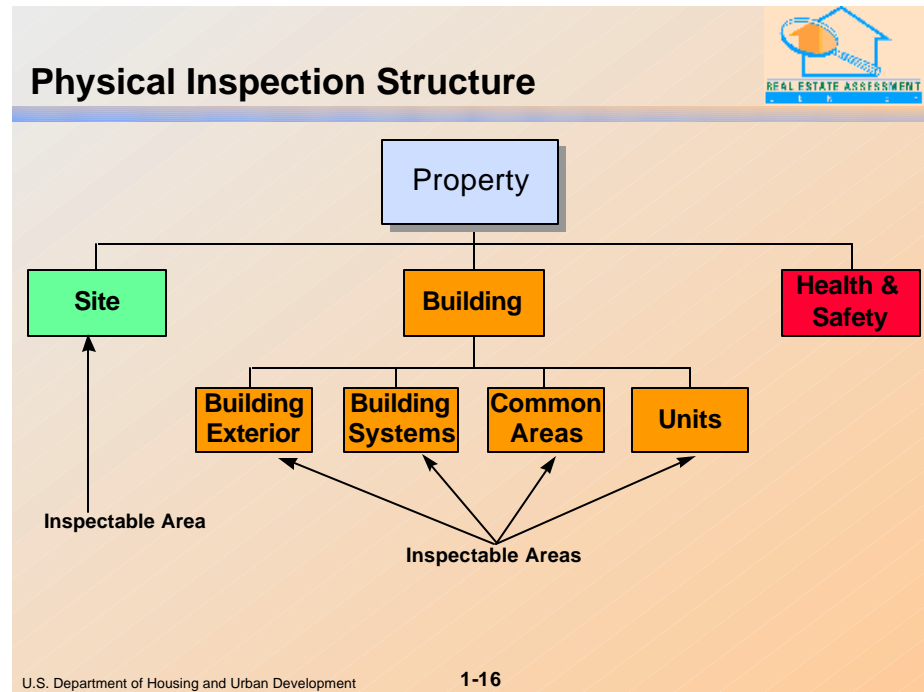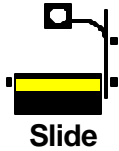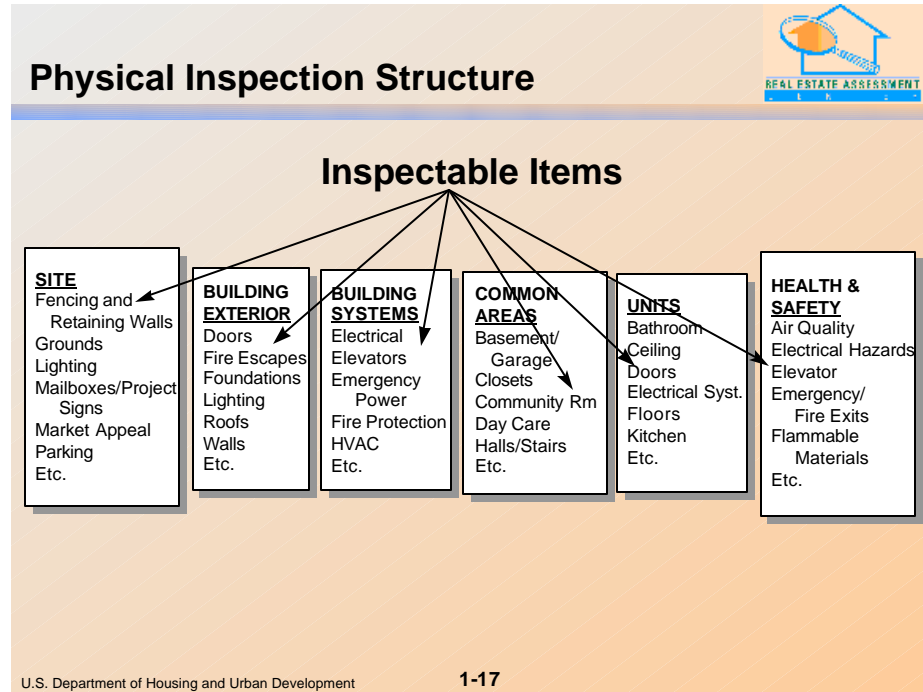
REVIEW the points on the slide

EXPLAIN:

- For each property there are:
  - **Inspectable Areas** – the areas that are inspected
    (Example: Site, Building Exterior, Common Areas)

SHOW slide 1-17. (Physical Inspection Structure)

Slide

PG page 1-21

Physical Inspection Structure

REAL ESTATE ASSESSMENT

Inspectable Items

SITE
Fencing and
  Retaining Walls
Grounds
Lighting
Mailboxes/Project
  Signs
Market Appeal
Parking
Etc.

BUILDING EXTERIOR
Doors
Fire Escapes
Foundations
Lighting
Roofs
Walls
Etc.

BUILDING SYSTEMS
Electrical
Elevators
Emergency
  Power
Fire Protection
HVAC
Etc.

COMMON AREAS
Basement/
  Garage
Closets
Community Rm
Day Care
Halls/Stairs
Etc.

UNITS
Bathroom
Ceiling
Doors
Electrical Syst.
Floors
Kitchen
Etc.

HEALTH & SAFETY
Air Quality
Electrical Hazards
Elevator
Emergency/
  Fire Exits
Flammable
  Materials
Etc.

U.S. Department of Housing and Urban Development   **1-17**

Speaker Notes
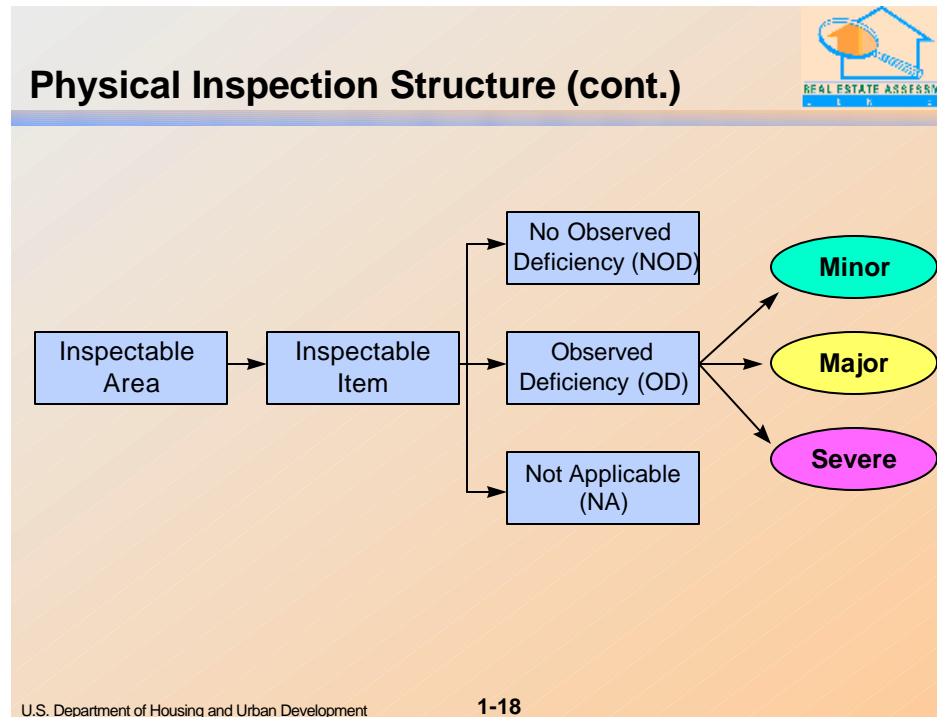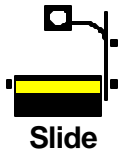
REVIEW the points on the slide

- **EXPLAIN:**
    - **Inspectable Items** – the items that are inspected
      (Example: Fencing, Grounds, Lighting)

Slide

SHOW slide 1-18. (Physical Inspection Structure - continued)

PG page 1-22

Physical Inspection Structure (cont.)

```
Inspectable        Inspectable        No Observed
Area        →      Item        →      Deficiency (NOD)       Minor

                                      Observed
                                      Deficiency (OD)   →    Major

                                      Not Applicable
                                      (NA)                   Severe
```

U.S. Department of Housing and Urban Development   **1-18**
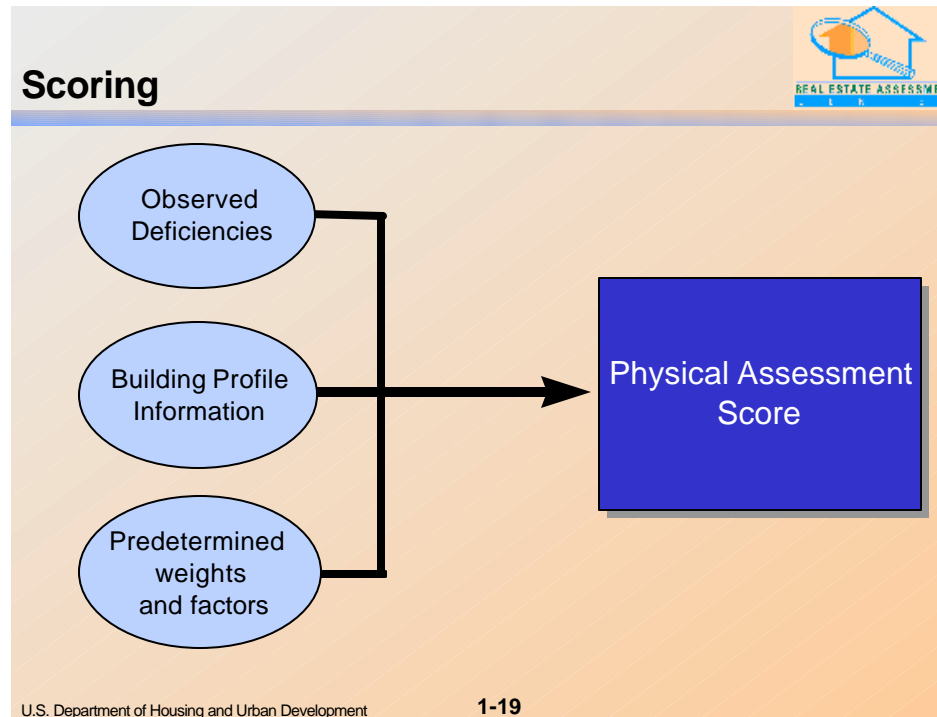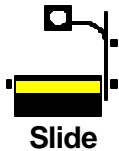
Speaker Notes

REVIEW the points on the slide

EXPLAIN:

- **Deficiencies** are recorded conditions of the inspectable items (Example: Cracks, Holes, Erosion). Each deficiency has its own definition for minor, major, and severe ratings.

  – For a severe rating, the inspector enters a location and relevant comments in the *Comments* text field of the PASS 2.1 software on the DCD.

- Some deficiencies may not have all three ratings.

- Deficiencies are recorded in three ways:

  – Observed Deficiency – Inspectable item is present and has a defect

- No Observed Deficiency – Inspectable item is present and does not have a defect

- Not Applicable – Inspectable item is not applicable for the inspection area. In other words, the item is not present and was not intended to be present.

- Rating definitions will be covered in Chapter 3: Definitions Training.

Slide

SHOW slide 1-19. (Scoring)

PG page 1-24

Scoring

Observed Deficiencies

Building Profile Information

Predetermined weights and factors

Physical Assessment Score

U.S. Department of Housing and Urban Development   **1-19**
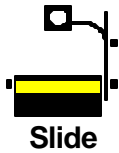
Speaker Notes

REVIEW the graphic on the slide

EXPLAIN:

- Once information is uploaded to PASS On-Line it is automatically checked and validated using an objective, comprehensive set of business rules

- Based on inspection data, scores must be observable, verifiable, and factual

- To ensure consistent scoring, it is important for inspectors to follow the REAC inspection protocol

- Scoring is completed internally by HUD. The inspector does not decide which properties pass or fail the inspection

- Questions concerning scoring should be directed to the REAC Customer Service Center at **1-888-245-4860**

SHOW slide 1-20. (Summary)

Slide

PG page 1-26

Summary

HUD Physical Inspections

Are:

- Objective

- Consistent

- Comprehensive

- Evaluations of HUD supported properties

- A step to help HUD prioritize and direct its resources

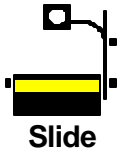- A method to ensure **decent, safe, and sanitary housing in good repair**

U.S. Department of Housing and Urban Development   1-20

Speaker Notes
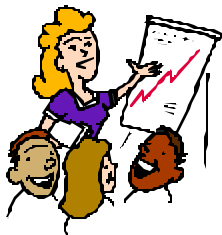
REVIEW points on the slide

Slide

SHOW slide 1-21. (Discussion)

PG page 1-27

Discussion

U.S. Department of Housing and Urban Development   **1-21**

PRESENT flipchart

INSTRUCT the participants to take a few minutes and discuss the questions raised during the overview, and review the following questions.

- What are the two major initiative efforts of HUD's 2020 Management Reform Plan to centralize the assessment of all HUD properties?

- How does REAC benefit HUD?

- What is the system responsible for automating the physical assessments of HUD properties?

- What are the three phases of the Physical Inspection Protocol process?

- What is the inspector's role in the Physical Inspection Program?

- What is the Inspector's Code of Conduct?

- Name the three types of observed deficiencies during a physical inspection of a property.

Physical Inspection Protocol
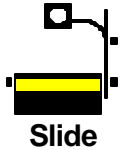
SHOW slide 1-22. (Protocol)

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PG page 1-28

Physical Inspection Protocol
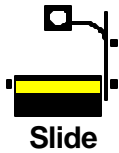
The purpose of the protocol:

- Define REAC Physical Inspection Protocol

- Describe essential steps of the Physical Inspection Protocol

- Explain importance of following the Physical Inspection Protocol

U.S. Department of Housing and Urban Development   **1-22**

Introduction

REVIEW points on the slide

SHOW slide 1-23. (Objectives)

Slide

Protocol Objectives

Upon completion, participants will be able to:

- Explain the purpose of the Physical Inspection Protocol

- Describe each component of the protocol

- Describe the consequences of not following the protocol

U.S. Department of Housing and Urban Development   **1-23**

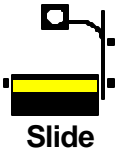**REVIEW** objectives on slide

Learning Objectives

Understanding the Physical Inspection Protocol (2-hrs. 50 min.)

Total: (2 hours, 50 minutes)

Agenda

Slide

SHOW slide 1-24. (Protocol Purpose)

PG page 1-29

Purpose of Physical Inspection Protocol

- Remedy current physical inspection problems
  - Inaccurate assessments
  - Inconsistent inspection procedures
  - Invalid sampling

- Ensure consistency for all property inspections

- Guarantee accurate assessments and scoring

- Obtain objective, factual, and verifiable data

- Assist HUD in its mission to provide decent, safe, and sanitary housing in good repair

U.S. Department of Housing and Urban Development   **1-24**

Speaker Notes

REVIEW points on the slide

EXPLAIN:

- To be consistent and accurate, all inspectors, regardless of their contracting agency, **MUST** follow the standard set of procedures

- Inconsistent assessments result in inconsistent data, scoring, and enforcement

- Inspection protocol eliminates subjectivity from inspections

- Inspection is a "snapshot in time". Assessments must be made according to the present condition of the property.

  - For example, if a certificate is valid for the day of the inspection, but expires in two days, the inspector must record the certificate as valid.

  - Similarly, if an exit door has a padlock on it, but the lock is open, the inspector cannot rate it as a deficiency since at

that point in time the exit is accessible.

Slide

SHOW slide 1-25. (Physical Inspection Protocol)


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Page

1-30

Speaker Notes
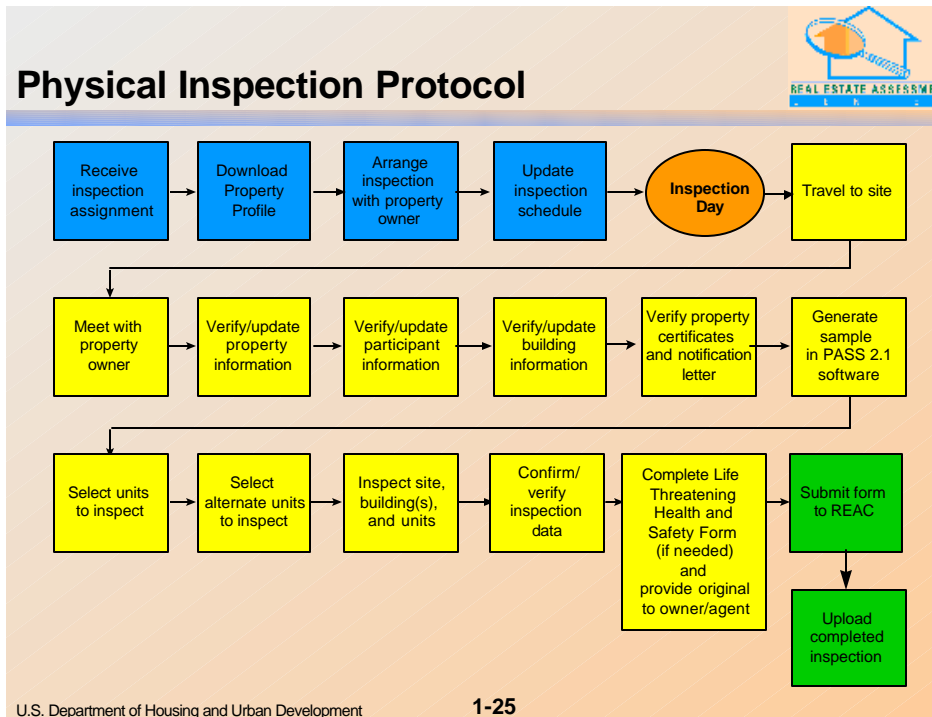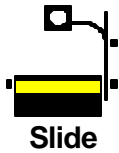
REVIEW the process flow on the slide

EXPLAIN PROCESS and show the coordinating slides for each essential step

- Inspection process is designed to provide a standard procedure for assessing observed deficiencies

- Each box represents an essential step in the protocol process. Each essential step is in a logical sequence that must be followed

- Follow the same steps and order for each inspection to ensure accuracy, consistency, and reliability
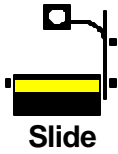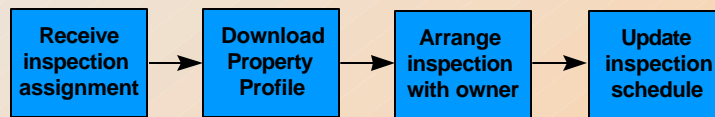
SHOW slides 1-26 through 1-46 (Physical Inspection Protocol)

Slide

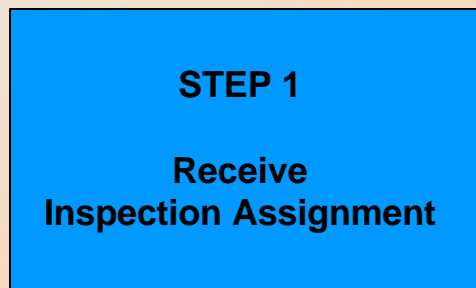### Physical Inspection Protocol

Pre-Inspection

| Receive inspection assignment | → | Download Property Profile | → | Arrange inspection with owner | → | Update inspection schedule |

U.S. Department of Housing and Urban Development   **1-26**

Physical Inspection Protocol

Pre-Inspection

STEP 1

**Receive
Inspection Assignment**

U.S. Department of Housing and Urban Development   **1-27**

Physical Inspection Protocol

Pre-Inspection

> **STEP 2**
>
> **Download
> Property Profile**

U.S. Department of Housing and Urban Development   **1-28**

Physical Inspection Protocol

Pre-Inspection

> **STEP 3**
>
> **Arrange
> Inspection with
> Property Owner**

U.S. Department of Housing and Urban Development   **1-29**

Physical Inspection Protocol

Pre-Inspection
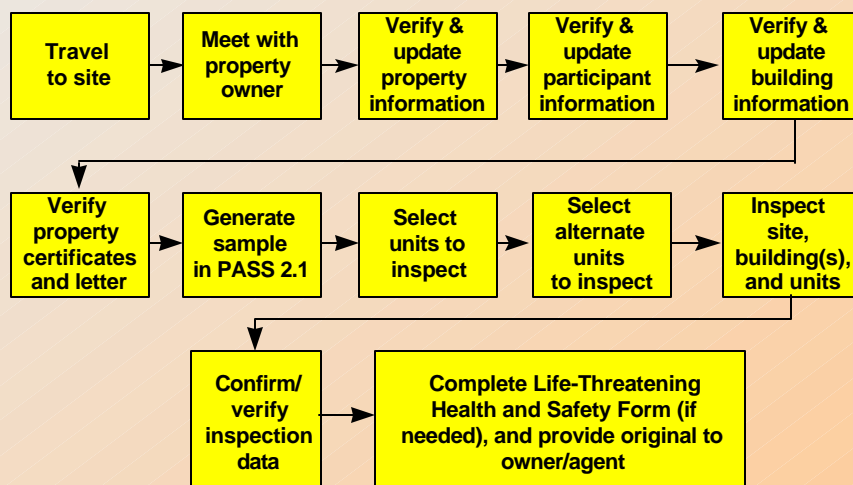
> **STEP 4**
>
> **Update Inspection Schedule**

U.S. Department of Housing and Urban Development   **1-30**

Physical Inspection Protocol

Inspection

Travel to site → Meet with property owner → Verify & update property information → Verify & update participant information → Verify & update building information

Verify property certificates and letter → Generate sample in PASS 2.1 → Select units to inspect → Select alternate units to inspect → Inspect site, building(s), and units

Confirm/verify inspection data → Complete Life-Threatening Health and Safety Form (if needed), and provide original to owner/agent

U.S. Department of Housing and Urban Development   **1-31**

Physical Inspection Protocol

Inspection

> ### STEP 5
>
> ### Travel to Site

U.S. Department of Housing and Urban Development   **1-32**

Physical Inspection Protocol

Inspection

> ### STEP 6
>
> ### Meet
> ### with Property Owner

U.S. Department of Housing and Urban Development   **1-33**

Physical Inspection Protocol

Inspection

> **STEP 7**
>
> **Verify/Update
> Property Information**

U.S. Department of Housing and Urban Development   **1-34**

Physical Inspection Protocol

Inspection

> **STEP 8**
>
> **Verify/Update
> Participant Information**

U.S. Department of Housing and Urban Development   **1-35**

Physical Inspection Protocol

Inspection

> **STEP 9**
>
> **Verify/Update
> Building Information**

U.S. Department of Housing and Urban Development   **1-36**

Physical Inspection Protocol

Inspection

> **STEP 10**
>
> **Verify
> Property Certificates and
> Notification Letter**

U.S. Department of Housing and Urban Development   **1-37**

Physical Inspection Protocol

Inspection

STEP 11

**Generate
Sample in PASS 2.1
software**

U.S. Department of Housing and Urban Development   **1-38**

Physical Inspection Protocol

Inspection

STEP 12

**Select
Units to Inspect**

U.S. Department of Housing and Urban Development   **1-39**

Physical Inspection Protocol

Inspection

> **STEP 13**
>
> **Select
> Alternate Units
> to Inspect**

U.S. Department of Housing and Urban Development   **1-40**

Physical Inspection Protocol

Inspection

> **STEP 14**
>
> **Inspect Site,
> Building(s), and Units**

U.S. Department of Housing and Urban Development   **1-41**

Physical Inspection Protocol

Inspection

> **STEP 15**
>
> **Confirm/Verify
> Inspection Data**

U.S. Department of Housing and Urban Development   **1-42**

Physical Inspection Protocol

Inspection

> **STEP 16**
>
> **Complete
> Life-Threatening Health
> and Safety Form
> (if Needed)**

> **AND Provide
> Original to
> Owner/Agent**

U.S. Department of Housing and Urban Development   **1-43**

Physical Inspection Protocol

Post Inspection

Submit form to REAC → Upload completed inspection

U.S. Department of Housing and Urban Development   1-44

Physical Inspection Protocol

Post Inspection

STEP 17

Submit Form to REAC

U.S. Department of Housing and Urban Development   1-45
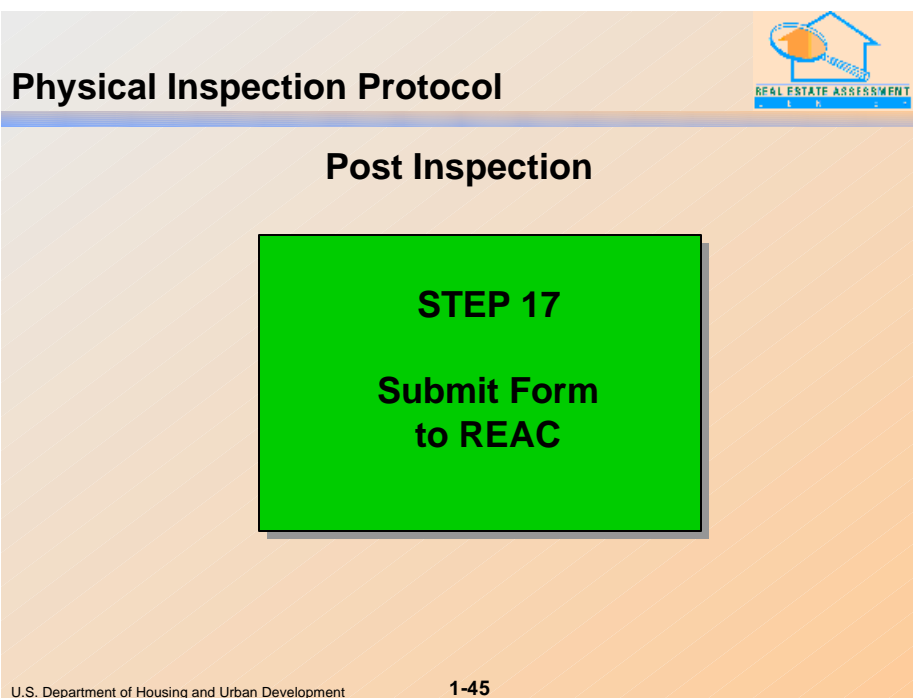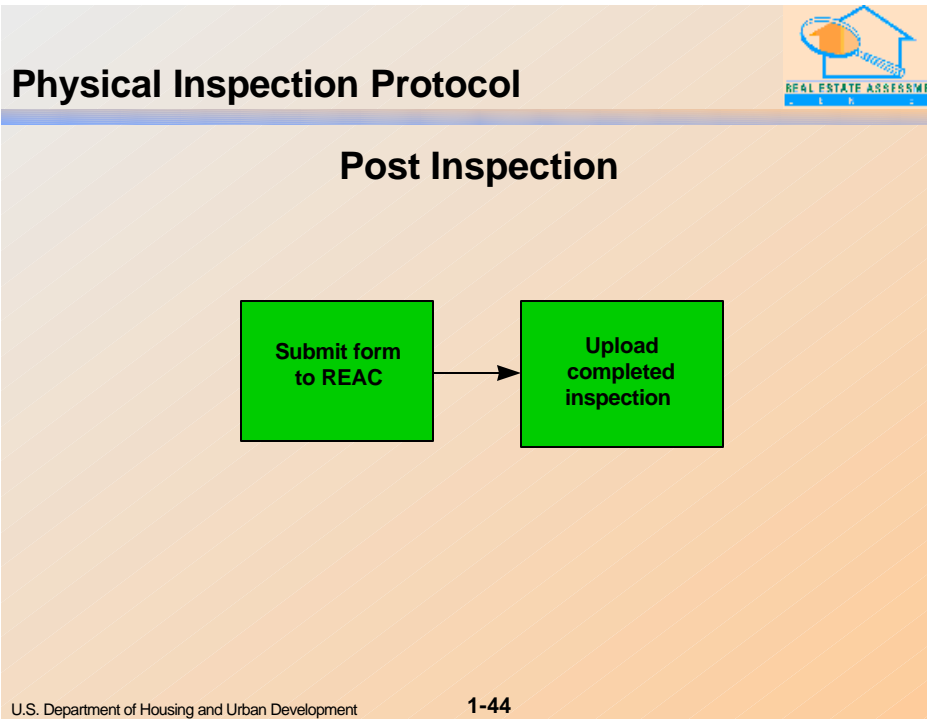
Physical Inspection Protocol

Post Inspection

STEP 18

**Upload
Completed Inspection**
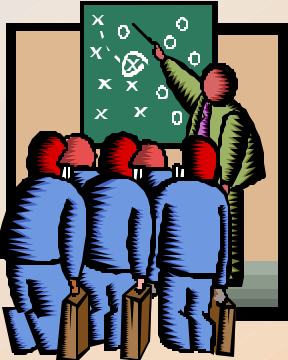
U.S. Department of Housing and Urban Development   **1-46**

Pre-Inspection Essential Steps

Slide

SHOW slide 1-47. (Step 1: Receive Inspection Assignment)

PG page 1-32

Step 1: Receive Inspection Assignment

Pre-Inspection

- REAC negotiates inspection agreement with contractor
- Contractor schedules/assigns inspection
- Contractor notifies inspector of inspection assignments
- Property profile information is available for downloading on the REAC Web site

U.S. Department of Housing and Urban Development 1-47

Speaker Notes

REVIEW points on the slide

EXPLAIN:

- The following Pre-Inspection items are completed prior to an inspector receiving an inspection assignment:
    - Contract is established between REAC and a contracting agency
    - Inspector receives an inspection assignment from their contracting agency
    - Property Profile is obtained from REAC's PASS Web site
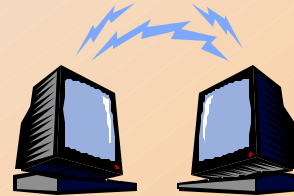
SHOW slide 1-48. (Step 2: Download Property Profile)

Slide

PG page 1-33

Step 2: Download Property Profile

Pre-Inspection

- Inspector downloads Property Profile directly to the PASS 2.1 software on their DCD from the REAC Web site

- The Property Profile contains:
  – Inspection number
  – Property information
  – Participant information
  – Building information
  – Unit information

- Downloaded information automatically populates appropriate fields in the PASS 2.1 software

U.S. Department of Housing and Urban Development   **1-48**

Speaker Notes

REVIEW points on the slide

EXPLAIN:

- More than one property profile may be downloaded at a time. (Downloading is covered in Chapter 2)

**SHOW** slide 1-49. (Step 3: Arrange Inspection with Owner)

Slide

PG page 1-34

Step 3: Arrange Inspection with Owner

Pre-Inspection

- Inspector contacts the property owner, management company, or PHA to:
    - Explain the purpose of inspection
        ⇒ To objectively assess the physical condition of the property, not to create a laundry list of maintenance items
    - Negotiate mutually agreeable time for physical assessment

- Inspector should notify the Contractor Help Desk if the property owner refuses to permit an inspection

- All inspections must occur in presence of property owner or other authorized representative
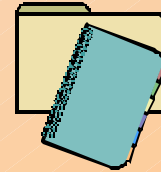
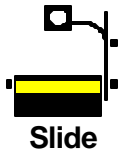U.S. Department of Housing and Urban Development   **1-49**

Speaker Notes

REVIEW points on the slide

EXPLAIN:

- Contractor is responsible for sending a letter informing the property owner of the inspection

- A copy of the *Inspection Notification Letter* is located in the Participant Guide between pages 35 and 36.

**SHOW** slide 1-50. (Step 4: Update Inspection Schedule)

Slide

PG page 1-36

Step 4: Update Inspection Schedule

Pre-Inspection

- Contractor is responsible for updating the inspection schedule as necessary
  - Inspector is responsible for notifying the contractor of any schedule changes

- REAC Quality Assurance (QA) inspections are based on inspection schedule
  - Contractor provides REAC with individual inspector schedules
  - REAC must be aware of all schedule changes
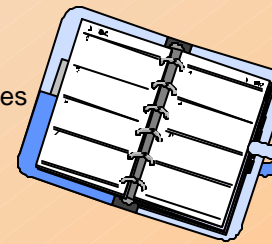
U.S. Department of Housing and Urban Development   **1-50**

Speaker Notes

REVIEW points on the slide

EXPLAIN:

- Inspector is responsible for arranging a date and time for the inspection with the property owner/agent

- Inspector is responsible for confirming the date in writing with the property owner or agent

Inspection Essential Steps
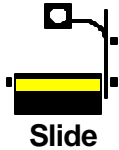
SHOW slide 1-51. (Step 5: Travel to Site)
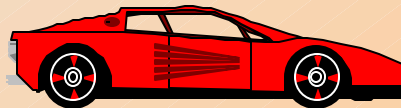
Slide

PG page 1-37

Step 5: Travel to Site

Inspection

Inspector must follow REAC rules for site travel:

- Inspector must be physically present to conduct the inspection

- If the inspection cannot be completed on the scheduled day, the inspector must call the Contractor Help Desk

- If the weather prevents the inspector from arriving at the property, they must request approval from the Contractor Help Desk to declare the inspection "unsuccessful"

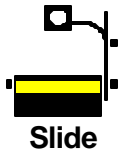U.S. Department of Housing and Urban Development   **1-51**

Speaker Notes

REVIEW REAC business rules on the slide

EXPLAIN:

- A copy of REAC's Inclement Weather Inspection Policy is located in the Participant Guide between pages 37 and 38.

SHOW slide 1-52. (Step 6: Meet With Property Owner)

Slide

PG page 1-38

Step 6: Meet With Property Owner

Inspection

- Inspector discusses inspection purpose with owner
    - To objectively assess physical condition of the property
    - **Not** to instruct property owner on maintenance and repair

- Inspector explains how Life-Threatening Health and Safety Hazards will be handled

- Inspector explains sampling process
    - Generates random sample of units to inspect
    - Reduces length of inspection
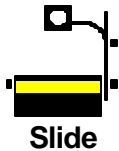
U.S. Department of Housing and Urban Development   **1-52**

Speaker Notes

REVIEW points on the slide

EXPLAIN:

- Inspectors must meet with property owners/agents on the day of the inspection to:

    - discuss the plan for conducting the inspection

    - explain the purpose of the inspection,

    - explain the sampling process

- Inspectors are there to objectively assess the physical condition of the property for HUD; not to pass judgment

Slide

SHOW slide 1-53. (Step 7: Verify/Update Property Information)

PG page 1-39

Step 7: Verify/Update Property Information

Inspection

- Inspector verifies property information prior to conducting the inspection
  - Property name, address, and telephone number
  - Scattered site information
  - Total number of buildings and units

- Failure to verify property information may result in a statistically invalid unit sampling
  - Incorrect sampling will invalidate the inspection

U.S. Department of Housing and Urban Development   **1-53**

Speaker Notes

REVIEW points on the slide.

EXPLAIN:

- Inspector is responsible for updating property information **before** beginning the inspection

- If the information is not updated prior to the inspection, the building and unit sampling will be incorrect

- Inspector should ask the property owner/agent if there are any additional property changes that may make a building uninspectable

- Additional property changes **MUST** be noted using the PASS 2.1 software on the DCD
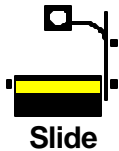
SHOW slide 1-54. (Step 8: Verify/Update Participant Information)

Slide

PG page 1-41

Step 8: Verify/Update Participant Information

Inspection

- Inspector verifies participant information
  - Participant name
  - Participant role
  - Participant organization name
  - Participant address and telephone number

- Participants may be individuals or organizations

U.S. Department of Housing and Urban Development   **1-54**
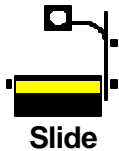
Speaker Notes

REVIEW points on the slide

EXPLAIN:

- Inspector must update any changes to participant information using PASS 2.1 software

- Because inspection results are sent by certified mail to the property owner, it is important to have correct information in the DCD
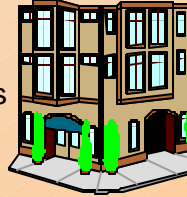
Slide

SHOW slide 1-55. (Step 9: Verify/Update Building Information)

PG page 1-42

Step 9: Verify/Update Building Information

Inspection

- Inspectors must validate building information
  - Building name and address
  - Building type
  - Building construction year
  - Total number of units

- Inspectors must also determine if a building is uninspectable
  - Important to record uninspectable buildings **before** generating the sample

- Failure to validate building information may result in an inaccurate count of building and units
  - Building and unit counts are used to generate the inspection sample

U.S. Department of Housing and Urban Development

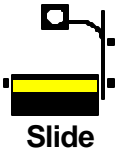**1-55**

Speaker Notes

REVIEW points on the slide

EXPLAIN:

- In order to have a valid sample; the inspector must verify the building information.

- If an uninspectable building is not recorded, it will be included in the sampling calculation and can invalidate the sample. The following are accepted reasons by REAC that a building is uninspectable:

  - Abandoned/Boarded Up

  - Building was Added after Sample was Generated

  - Building Not Found

  - Demolished

- – Fire Damage

- – Locked

- – No Keys

- – Occupant Refusal

- – Off-Line (building or unit is currently undergoing rehab)

- – Other Hazard

- – Police Restricted Area

- – Vacant

- All new buildings must be added to the PASS 2.1 software and all non-existent buildings deleted

- Inspector is also responsible for physically verifying if a building is uninspectable and recording the reason in the PASS 2.1 software

Slide

SHOW slide 1-56. (Step 10: Verify Property Certificates & Letter)
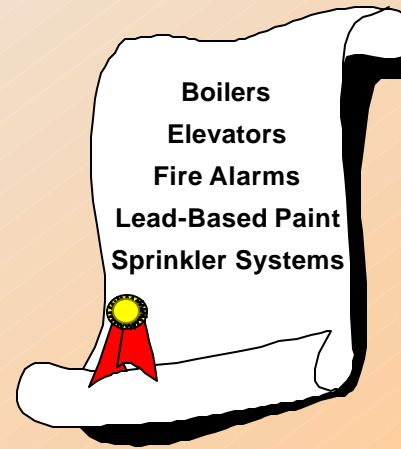
PG page 1-44

Step 10: Verify Certificates and Letter

Inspection

Inspector should:

- Verify existence of applicable certificates

- Check validity of expiration date

- Record results in PASS 2.1 software

- Verify residents were given written notification of inspection

Boilers
Elevators
Fire Alarms
Lead-Based Paint
Sprinkler Systems

U.S. Department of Housing and Urban Development   **1-56**
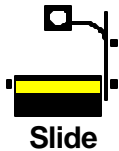
Speaker Notes

REVIEW the types of certificates on the slide

EXPLAIN:

- Certificates are documents which certify that safety and maintenance requirements have been fulfilled

- After determining if a certificate is applicable, the inspector must verify that it has not expired.

- Status of the certificate is recorded in the PASS 2.1 software as YES for present, or NO for not present.

- While there may be a system in each building, they are generally inspected as a whole and appear on one certificate.

- Buildings built before 1978 are not required to have Lead-Based Paint certificates (built before law was passed)

  A copy of a sample certificate is located in the Participant Guide between pages 44 and 45.

- Inspector should also request a copy of the resident inspection

notification letter from the property owner

- If a notification letter was not sent, the inspector should not inspect and must notify the Contractor Help Desk

SHOW slides 1-57 and 1-58. (Step 11: Generate Sample)

Slide

PG page 1-45

Step 11: Generate Sample

Inspection

- Inspector generates sample using the sampling function of PASS 2.1 software
  - Mathematical and statistical equations
  - Statistically valid random sample
  - Displayed as sequence of unit numbers

- Designed to produce a sample that accurately reflects what would have been recorded if all buildings/units were inspected

U.S. Department of Housing and Urban Development   **1-57**

Step 11: Generate Sample (cont.)

Inspection

- Variations to protocol produce inaccurate samples and may invalidate inspections

- Inspector must follow protocol steps
  - Verify/update <u>all</u> property information before generating sample
  - Generate sample in PASS 2.1 software

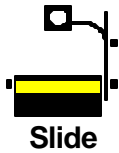U.S. Department of Housing and Urban Development   **1-58**

Speaker Notes

REVIEW points on the slide

EXPLAIN:

- PASS 2.1 electronically generates the sample

    – Sample generated for buildings and units

    – Each building will have its own sample

- When comprehensive inspections are performed on properties that have had sample unit inspections conducted, the percentage of variance is only 1 to 2 percent

- Inspector is responsible for following the Inspection Protocol to ensure that the sample is valid

- For the sampling process to work, all information in the PASS 2.1 software must have been verified for accuracy

- Inaccurate sample results may result in invalid inspections, which will have to be reassessed

- Business rules for generating and regenerating samples are covered in step 14b (Inspect buildings)

SHOW slides 1-39 and 1-60. (Step 12: Select Units to Inspect)

Slide

PG page 1-46

Step 12: Select Units to Inspect

Inspection

- PASS 2.1 software displays sequence of unit numbers in the "Sample Units" text field
  - Each number represents a unit in the selected building
  - The order of the numbers represents the relative position of each unit on a complete list of units
    ⇒ For example: The number 4 will represent the fourth unit on the list
    ⇒ Inspections must be conducted in the order the numbers are displayed

U.S. Department of Housing and Urban Development   **1-59**

Step 12: Select Units to Inspect (cont.)

Inspection

- Inspector selects sample units by using an all-inclusive list of units
  - The list may be the rent roll if it includes vacant as well as occupied units

U.S. Department of Housing and Urban Development   **1-60**

**Speaker
Notes**

REVIEW points on the slide

EXPLAIN:

- When selecting units, the PASS 2.1 software displays a sequence of numbers on the Building/Dwelling Information tab

- This sequencing is used in conjunction with an all-inclusive list of units (which may be the rent roll if it includes vacant as well as occupied units)

- Each number represents a unit in the building which is reflected on an all-inclusive list of units, so that the number "4" represents the 4th unit on the list

- If a list of units is not available, the numbers that are generated in the PASS 2.1 software should be used to select a unit in the building corresponding with the number.

- In a building with the apartments – 1A, 1B, 1C, 2A, 2B, 2C… unit 2A would be selected if the number "4" is shown in the system since it is the 4th unit in the building

  SUGGESTION: On the flipchart, write the unit numbers (1A, 1B, 1C, 2A, 2B) on the flip chart, and circle unit **2A** as the fourth number in the system.

SHOW slides 1-61 and 1-62. (Step 13: Select Alternate Units to Inspect)

Slide

PG page 1-47

Step 13: Alternate Units to Inspect

Inspection

- PASS 2.1 software automatically generates alternate units
  - Displayed after the original units
  - Must be inspected in the order they are displayed
    - ⇒ Example: If the alternates for a sample are 12A, 5B, and 11C, 12A must be used as an alternate **before** 5B

U.S. Department of Housing and Urban Development　　　　**1-61**

Step 13: Alternate Units to Inspect (cont.)

Inspection

Selecting alternate units:

- Select alternate units for same building type in order displayed
- If no alternate units in the sample building
    ⇒ then select an alternate unit of the same building type
- If no alternate units for same building type
    ⇒ then select an alternate unit in the next building
- If no other alternate units remain
    ⇒ then call Contractor Help Desk for assistance

U.S. Department of Housing and Urban Development   **1-62**

Speaker Notes
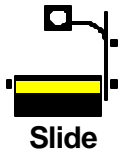
REVIEW points on the slide

EXPLAIN:

- If a sample unit is considered uninspectable, alternate units must be sampled to maintain a statistically valid sample

- The alternates are automatically generated in the PASS 2.1 software and displayed in the "Sample Units" text field, and labeled "alternate"

- If an alternate is needed, it may be inspected at any time during the inspection; however, alternates must be selected in the order they are displayed in the PASS 2.1 software.

- For example, units 1C, 2A, 3D, 4A are in the sample. Unit 12A and 1B are the alternate units. If 2A is uninspectable, the first alternate unit (12A) must be selected *before* the second alternate (1B). The alternate 12A may be inspected at any time during the inspection, as long as it is inspected before the alternate 1B.

    SUGGESTION: On the flipchart, write sample unit numbers (1C, 2A, 3D, 4A). Next write the alternate unit numbers (12A, 12B). Circle **12A** as the alternate unit.

SHOW slide 1-63. (Sampling Do's and Don'ts)

Slide

PG page 1-48

Sampling Do's and Don'ts

Do

- Verify all property and building information prior to generating the sample
- Use the all-inclusive list of units to determine sample units
- Inspect units in the order they are displayed
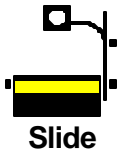- Select alternate units in the order they are displayed

Don't

- Allow property owners to alter sample units
- Provide property owners with a list of samples prior to inspection
- Deviate from inspection protocol

U.S. Department of Housing and Urban Development   **1-63**

Speaker Notes

REVIEW points on the slide

SHOW slide 1-64. (Activity)

Slide

PG page 1-49

Activity

U.S. Department of Housing and Urban Development   **1-64**
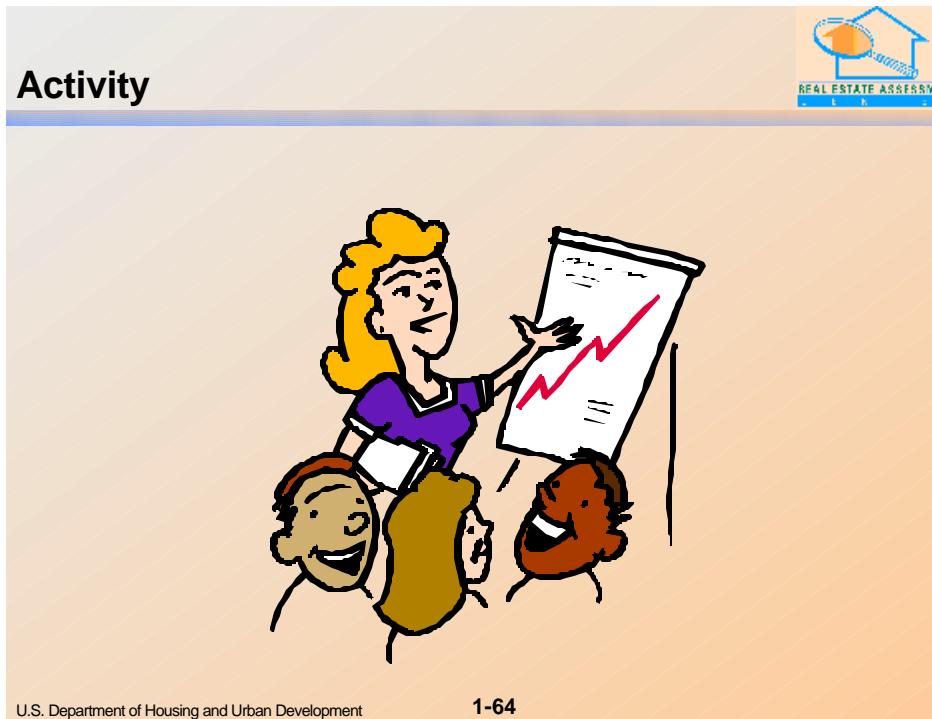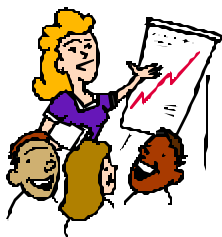
Activity

REFER the participants to the activity on page 49 in Chapter 1 of the Participant Guide.

INSTRUCT the participants to use the rent rolls and PASS 2.1 software sampling results to determine the units that should be inspected
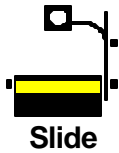
REVIEW activity answers

- The units that should have been selected are:

  103, 104, 204, 301, 303

  1B, 2B, 3A, 4A, 4C, 5B, 5C

- The property owner informs you that unit 103 cannot be inspected due to poor housekeeping. What do you do?

  – Poor housekeeping is not a REAC-approved uninspectable reason. Inform the property owner that the inspection does not assess housekeeping and that

the unit must be inspected. Call the Contractor Help Desk if the owner still refuses.

- During your inspection, a resident refuses to let you inspect his unit, 3A. What do you do?

    − Inspect the first alternate, 1A, and record the reason in PASS 2.1 software

DISCUSS any discrepancies or confusions

SHOW slide 1-65. (Inspection Guidelines)

PG page 1-50

Inspection Guidelines

- Direct specific resident complaints to the property owner

- Remind residents of the purpose of the inspection
  - To assess the physical condition of the unit, not evaluate housekeeping

- Assess items **inside** the development/property
  - Do not address physical structures that do not belong to the property (e.g., city streets and sidewalks)

- Assess all five inspectable areas:
  - Site
  - Building Exterior
  - Building Systems
  - Common Areas
  - Units

U.S. Department of Housing and Urban Development   **1-65**

REVIEW guidelines for inspecting properties on the slide

SHOW slide 1-66. (Health and Safety Hazards)

Slide

PG page 1-51

Health and Safety Hazards

- Inspectors must assess and rate any observed Health and Safety deficiencies
- Health and Safety items include:
  - Air Quality
  - Electrical Hazards
  - Elevator
  - Emergency/Fire Exits
  - Flammable Materials
  - Garbage and Debris
  - Hazards
  - Infestation
- Certain "Severe" deficiencies automatically generate Health and Safety hazards
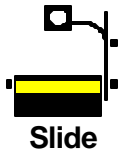
U.S. Department of Housing and Urban Development   **1-66**

Speaker Notes

REVIEW points on the slide

EXPLAIN:

- Not all health and safety hazards are life-threatening

SHOW slide 1-67. (Life-Threatening Health & Safety Hazards)

Slide

PG page 1-52

Life-Threatening Health & Safety Hazards

- Be observant of the eight Life-Threatening Health and Safety hazards:
    - Propane, natural, or methane gas
    - Exposed wires or open electrical panels
    - Water leaks on or near electrical equipment
    - Blocked or unusable emergency or fire exits
    - Window security bars preventing exit
    - Blocked fire escapes or ladders
    - Missing gas-fired hot water heater/HVAC or chimney
    - Inoperative/missing smoke detectors

- Inspector notifies property owner of all hazards immediately

U.S. Department of Housing and Urban Development   **1-67**

Speaker Notes

REVIEW points on the slide

EXPLAIN:

- Notification of Exigent and Fire Safety Hazards Observed form Life-Threatening Health and Safety Form will be covered in more detail in Step 16

SHOW slide 1-68. (Step 14a: Inspect Site)

Slide

PG page 1-53

Step 14a: Inspect Site

Inspection

- Site is defined as the area surrounding the buildings of a property
  - Example: Fencing, Grounds, Lighting

- Only one site per property

- Site may be inspected at any time during the inspection

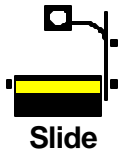U.S. Department of Housing and Urban Development   **1-68**

Speaker Notes

REVIEW points on the slide

EXPLAIN:

- Site can be inspected at any time during the inspection, but all inspectable items must be assessed before uploading can occur

- Site is the only inspectable area that may be inspected before generating the sample

SHOW slide 1-69. (Step 14b: Inspect Building)

Slide

PG page 1-54

Step 14b: Inspect Building

Inspection

- Inspector physically verifies that all buildings declared uninspectable by property owner are actually uninspectable by REAC standards

- If a sample building is discovered to be uninspectable, the inspector should inspect the first alternate building

- Inspector updates PASS 2.1 software if:
  - A building cannot be located
  - A new building is located
  - Building information changes

- Inspector inspects building exterior, building systems, and common areas

U.S. Department of Housing and Urban Development   **1-69**

Speaker Notes

REVIEW points on the slide

EXPLAIN:

- Inspector is required to inspect each sample building's exterior, systems, and common areas for inspectable items and heath and safety issues

- Buildings do not need to be inspected in order, although it is highly recommended

  - May be difficult on scattered sites

Slide

SHOW slide 1-70. (Step 14c: Inspect Units)

PG page 1-55

Step 14c: Inspect Units

Inspection

- If a sample unit is declared uninspectable during the inspection:
  - Inspector indicates uninspectable reason in PASS 2.1 software
  - Inspector inspects the next available alternate unit
    - ⇒ Alternate unit may be inspected at any time during the inspection
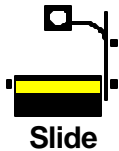   - ⇒ Alternate units must be selected in the order they are displayed in the PASS 2.1 software

U.S. Department of Housing and Urban Development   **1-70**

Speaker Notes

REVIEW points on the slide

Slide

SHOW slide 1-71. (Step 15: Confirm/Verify Inspection Data)

PG page 1-56

Step 15: Confirm/Verify Inspection Data

Inspection

- Inspector uses "Check/Prepare" function of PASS 2.1 software to automatically review inspection completion
  - PASS 2.1 software verifies thoroughness and identifies any missing items
  - Use function before leaving site
- Only completed inspections are accepted by the DCD for uploading to REAC

U.S. Department of Housing and Urban Development   **1-71**

Speaker Notes

REVIEW points on the slide

EXPLAIN:

- Upon completion of the inspection, the inspector should verify that all inspectable items were assessed

- If there are incomplete items in the PASS 2.1 software, the inspection will be considered incomplete and will not upload until completed

- It is important to do the "check/prepare" action prior to leaving the site so the inspector does not have to return to the site at a later time to complete the items.
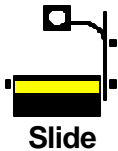
SHOW slide 1-72. (Step 16: Complete Life-Threatening H&S Form)

Slide

PG page 1-57

Step 16: Complete Life-Threatening H&S Form

REAL ESTATE ASSESSMENT

Inspection

- Life-threatening hazards are documented on the Notification of Exigent and Fire Safety Hazards Observed form

- Property owners sign the form
  - If they refuse to sign, note the refusal on the form

- Original form must be left with property owner
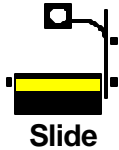
U.S. Department of Housing and Urban Development   **1-72**

Speaker Notes

REVIEW points on the slide

EXPLAIN:

- Any life-threatening situation must be recorded in the PASS 2.1 software

- Multiple deficiencies can be listed on one form

- A Notification of Exigent and Fire Safety Hazards Observed form must be completed to notify the owner/agent

- A copy of the *Notification of Exigent and Fire Safety Hazards Observed* form is located in the Participant Guide between pages 57 and 58.

Post Inspection Essential Steps
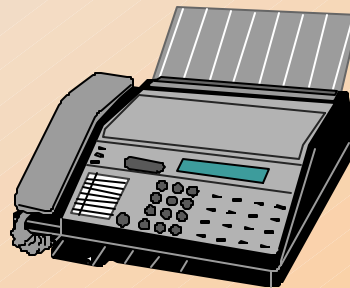
SHOW slide 1-73. (Step 17: Submit Report)

Slide

PG page 1-58

Step 17: Submit Form

Post Inspection

- Inspector faxes copy of form to REAC by 10:00 AM the following day

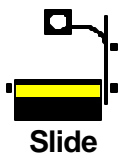U.S. Department of Housing and Urban Development   **1-73**

Speaker Notes

REVIEW points on the slide

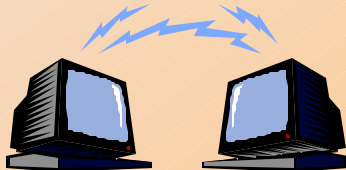- Inspector faxes form from site, office or hotel

SHOW slide 1-74. (Step 18: Upload Completed Inspection)

Slide

Step 18: Upload Completed Inspection

PG page 1-59

Post Inspection

- Completed inspections must be uploaded to the REAC Web site daily

- Technical problems with uploading should be referred to Contractor Help Desk

U.S. Department of Housing and Urban Development   **1-74**

Speaker Notes

REVIEW points on the slide

Variances
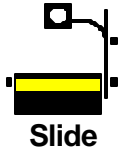
Slide

SHOW slide 1-75. (Variances)

PG page 1-60

Variances

- Variances occur when inspectors do not follow the standard inspection procedures as defined by the Physical Inspection Protocol

- Negatively affect the accuracy and validity of physical assessments

- Types of variances:

  Subjectivity

  Negligence

  Gaming

U.S. Department of Housing and Urban Development   **1-75**

Speaker Notes

REVIEW points on the slide

EXPLAIN:

Subjectivity occurs when inspectors make personal judgments about the condition of a property or allow their personal biases to affect how they inspect.

- **Examples**:

  – Allowing bad property management to affect the assessment

  – Allowing bad housekeeping to affect the assessment

  – Allowing negative opinions about public housing to affect

the assessment

– Assessing items that are not defined by REAC as an inspectable item

- **Key Points:**

  – Inspectors must remain objective and impartial

  – If an inspector does not remain objective and impartial, it impacts the objectivity and scoring of the inspection

  – If the inspector follows the REAC protocol, it increases their ability to provide objective assessments

Negligence occurs when an inspector purposely tries to avoid following the inspection protocol in order to reduce the time or effort required inspecting a property.
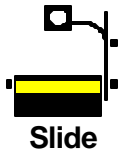
- **Examples:**

  – Skipping key activities like checking appliances and systems

  – Not verifying property or building information

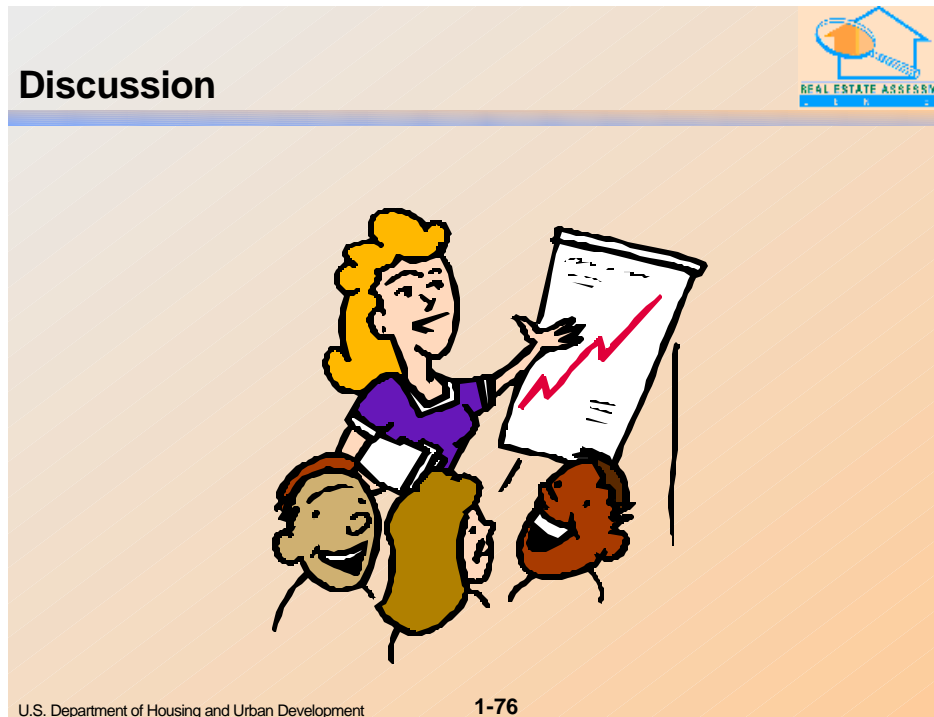 – Not thoroughly inspecting items to truly determine their condition

Gaming occurs when an inspector performs illicit activities in an attempt to cheat the system.

- **Examples**:

  – Providing the property owner with the sample units ahead of time, so that the owner can clean up the units to be inspected which results in a quicker inspection for the inspector and a higher score for the owner.

  – Accepting bribes or favors from property owners in return for leniency during the inspection

SHOW slide 1-76. (Discussion)

Slide

PG page 1-61

Discussion

U.S. Department of Housing and Urban Development   **1-76**

Speaker Notes

INSTRUCT the participants to discuss the following scenario:

Scenario 1:

During his inspection of Rose Garden Apartments, Jamey Inspector noticed dirt on the linoleum floors in the common area of the sample building he was inspecting. When he noticed a few tiles missing, he immediately rated the deficiency as "Severe" when it should have been rated "Minor".

DISCUSS what when wrong in Scenario 1:

Jamey allowed his personal feelings about the cleanliness of the building to affect his rating of the deficiency. The deficiency should not have been rated "Severe" because less than 10 percent of the floor had missing tiles. This is an example of

inspector subjectivity. A possible implication of this variance may include HUD taking unnecessary action against the property.

INSTRUCT the participants to discuss the following scenario:

Scenario 2:

Frank Inspector began the physical inspection of Dogwood Estates with sympathetic feelings toward the property owner Mr. Byron. He felt that Mr. Byron did all he could to meet HUD requirements, but sometimes fell short despite valiant efforts. During the inspection, Frank rated several deficiencies as "Minor" when they should have been rated "Major" or even "Severe".

DISCUSS what when wrong in Scenario 2:

Frank allowed his personal feelings about the management to affect his assessment of the property. This is another example of inspector subjectivity. In this case, a possible implication includes the property escaping necessary HUD action.
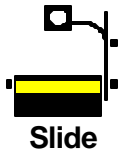
SHOW slide 1-77. (Summary)

Slide

PG page 1-62

Summary

- Inspection protocol is designed to:
  - Standardize the inspection process
  - Provide HUD with consistent, objective, and factual inspection data

- Inspection protocol is divided into three main phases:
  - Pre-Inspection
  - Inspection
  - Post Inspection

- Adherence to the protocol is critical for:
  - Accurate physical assessments
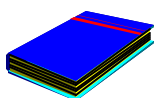 - Maintenance of decent, safe, and sanitary housing in good repair

U.S. Department of Housing and Urban Development   **1-77**

Speaker Notes

REVIEW points on the slide

Quality Assurance and the Contractor Help Desk

Reference

REFER participants to the relevant sections of the following documents:
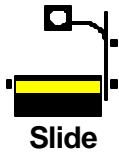
Quality Assurance and the Contractor Help Desk

Introduction

The purpose of Quality Assurance and the Contractor Help Desk is:

- Provide an overview of the REAC Quality Assurance function and discuss the importance of Quality Assurance in maintaining and improving the REAC Physical Inspection Program.

- Provide information on the assistance available to inspectors through their Contractor Help Desk

SHOW slide 1-78. (Objectives)

Slide

PG page 1-64

Quality Assurance Objectives

Upon completion of the Quality Assurance objectives, participants will be able to:

- Explain the function of Quality Assurance in the Physical Inspection Program

- Describe the role and responsibility of Quality Assurance inspectors

- Describe the Quality Assurance inspection approach used by QA inspectors

- Explain how to access assistance when needed

U.S. Department of Housing and Urban Development   **1-78**

Learning Objectives

REVIEW objectives on slide

Agenda
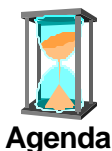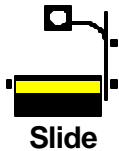
Quality Assurance (45 min)

Contractor Help Desk (5 min)

Total: (50 minutes)

Quality Assurance

SHOW slide 1-79. (The QA Function)

PG page 1-65

Slide

Quality Assurance Function

REAL ESTATE ASSESSMENT

- Evaluate inspector performance and aid in the development of their assessment skills

- Evaluate the performance of the Physical Inspection Program

- Identify discrepancies in the inspection data and define ways to resolve them

- Guarantee the Physical Inspection Protocol is followed, and take action as needed

- Monitor the contractor's Quality Control (QC) program

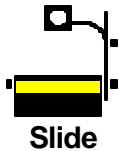U.S. Department of Housing and Urban Development **1-79**

Speaker Notes

REVIEW QA Objectives on slide

EXPLAIN:

- QA supports REAC in its effort to assess the physical condition of HUD's housing portfolio

- QA's goal is to continuously improve the Physical Inspection Program

- Contractor Quality Control (QC) Program - helps contractor monitor its own performance and compliance with contract requirements; QC Program may conduct QC inspections similar to QA inspections

- Four principle inspection areas

  – Property profile incomplete

  – Questionable N/As

  – Incorrect sample size

  – Protocol discrepancies

Slide

SHOW slide 1-80. (QA Inspector)

PG page 1-67

QA Inspector

- Experienced and HUD-certified

- Fully trained and knowledgeable in REAC's Physical Inspection Protocol

- Key resource for ensuring that the Physical Inspection Protocol is followed properly by all contract inspectors

- Great source of knowledge for contract inspectors

U.S. Department of Housing and Urban Development
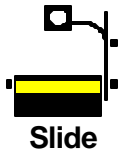
1-80

Speaker Notes

REVIEW points on slide

EXPLAIN:

- QA inspector's job is threefold:

  – Ensure inspection protocol and contract requirements are followed at all times so that assessment results are accurate and objective

  – Work with the QC Program set up by contractors

  – Act as a liaison to the Government Technical Representative (GTR) and/or Government Technical Monitor (GTM); and relay REAC information to the contractor

SHOW slide 1-81. (QA Inspection Process)

PG page 1-69

Slide

QA Inspection Process

- Regional Quality Assurance Manager initiates inspections through:
  - Departmental and/or Program Office requests
  - QA triggers (e.g., discrepancies in inspector performance)
  - Assignment of collaborative inspections performed by the QA inspector

- Collaborative Inspection
  - Reinforce inspector training
  - Ensure inspector's compliance with REAC inspection protocol
  - Evaluate basic contractor inspector skills
  - Obtain information for improving training and software

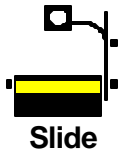U.S. Department of Housing and Urban Development   **1-81**

Speaker Notes

REVIEW points on slide

EXPLAIN:

- QA inspections are initiated in three ways:

  - Departmental and/or Program Office priorities and special requests

  - QA triggers (e.g., information which reveals discrepancies in inspector performance)

  - Assignment of collaborative inspections

- QA inspections are scheduled by using the contractor's inspection schedule. Therefore, it is important that the inspector report any schedule changes or delays to the contractor, who will notify REAC

- Collaborative Inspections - goal is to have one collaborative inspection with each contractor inspector

SHOW slide 1-82. (QA and the Inspector)

PG page 1-71

QA and the Inspector

- QA inspector monitors the contract inspector's compliance with the REAC inspection protocol

- QA inspector ensures continuous improvement of the contract inspector

- QA inspectors are responsible for taking necessary steps if the inspection protocol is not followed
  - Can include removing inspectors who are unable and unwilling to follow the protocol

U.S. Department of Housing and Urban Development   **1-82**

REVIEW points on slide

EXPLAIN:

- QA helps to continuously improve the inspection process and provide support to the inspectors as they work to evaluate HUD properties

- REAC has put into place a QA program that is designed to prevent gaming and negligence

  - Various automated analyses are performed that can detect when the inspection protocol is not being performed.

    ⇒ For example, the time a sample is generated and the time the first observation is entered into the PASS 2.1 software are recorded. If these two times are not on the same day, REAC will know that the sample was

generated ahead of time. This inspection will be flagged for QA review.

- If an inspector is caught participating in gaming or other practices, the inspector's REAC certification is revoked.
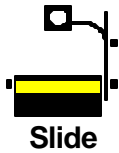
The Contractor Help Desk

**Speaker
Notes**

EXPLAIN:

- Inspectors should always contact the Contractor Help Desk with questions regarding the Physical Inspection Process, as well as questions concerning hardware and software issues.

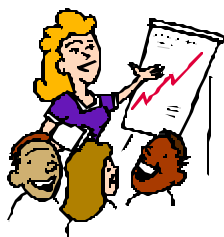- Contractors should include specific information for their Contract Help Desk in this section.

*PG
page
1-73*

SHOW slide 1-83. (Discussion)
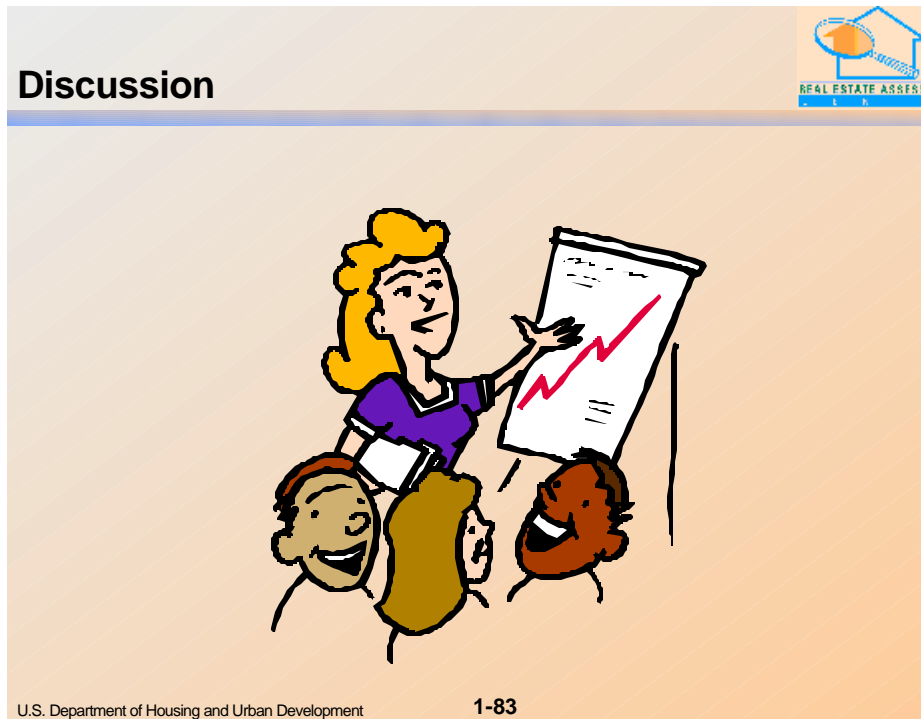
Slide

PG page 1-74

Discussion

U.S. Department of Housing and Urban Development   1-83

PRESENT flipchart

INSTRUCT the participants to take a few minutes and discuss the following questions as a group:

- What is the QA inspector's primary role?

- What are the three jobs a QA inspector performs?

- How can a contractor inspector best utilize a QA inspector?

- Who does a contractor inspector contact for help?

DISCUSS points and write answers to the questions on the flipchart.